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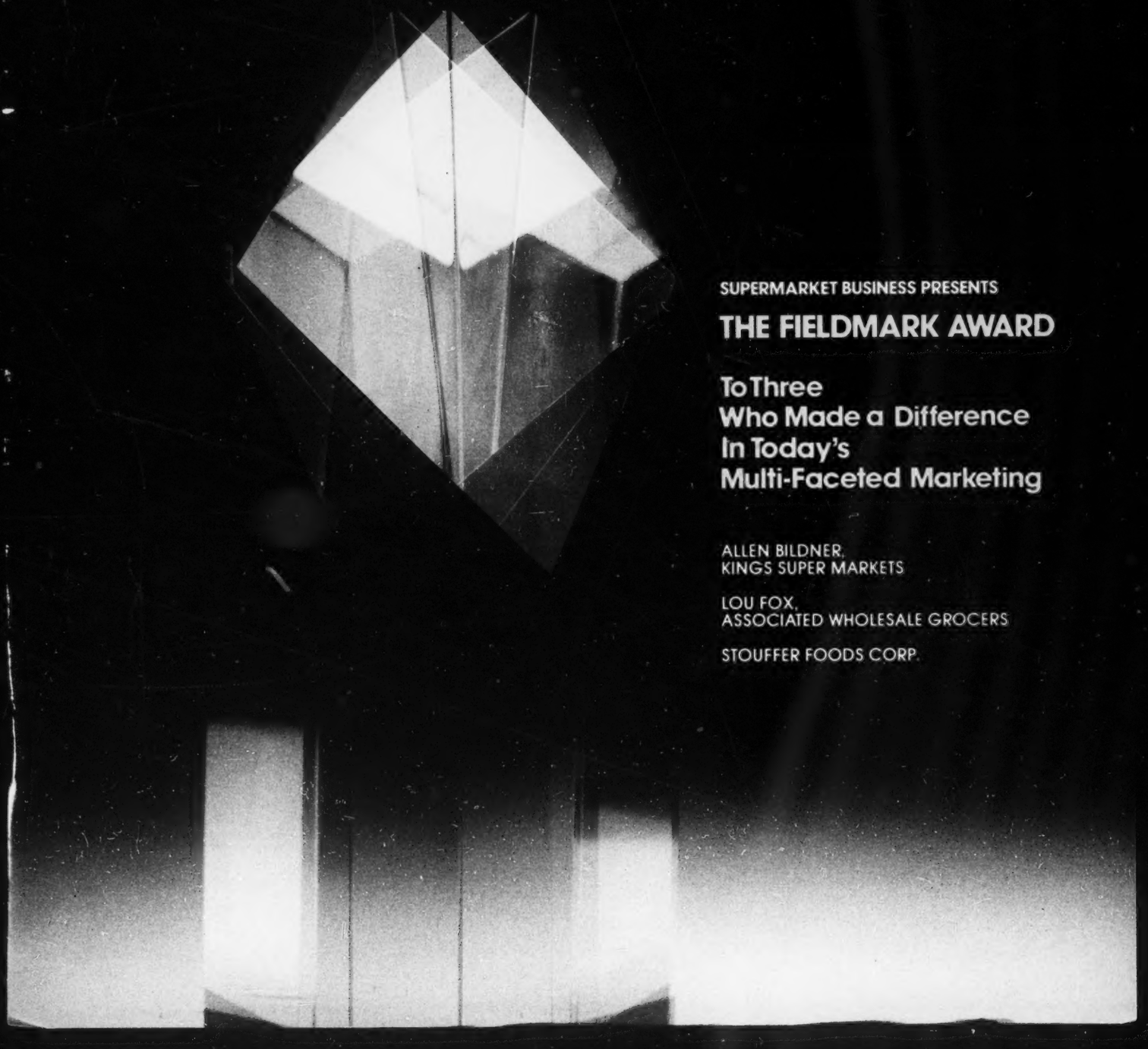

SUPERMARKET BUSINESS PRESENTS

THE FIELDMARK AWARD

To Three Who Made a Difference In Today's Multi-Faceted Marketing

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KINGS SUPER MARKETS

LOU FOX,
ASSOCIATED WHOLESALE GROCERS

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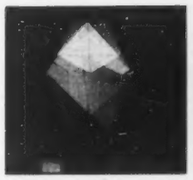

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SUPERMARKET BUSINESS

VOLUME 41
NUMBER 12

DECEMBER 1986

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SUPERMARKET BUSINESS has chosen a retailer, a wholesaler and a manufacturer who have made significant contributions to the industry over the years. This is the first Fieldmark Award, which will be an annual prize. Profiles of the winners follow.

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BOB HUGHES

From its humble beginnings 50 years ago, Kings has always had a mission: treat people with care, and give them what they want. It's a formula that has lasted the company, now in the hands of the founder's son, Allen Bildner, through turbulent times.

LOU FOX: LIFE IN THE THINK-FAST LANE/KEN PARTCH **30**

As chairman emeritus of Associated Wholesale Grocers, based in Kansas City, Kan., Lou Fox still contributes to the fortunes of retailers. He built the company over a 27-year period from a small but substantial one to a thriving powerhouse.

STOUFFER TAKES THE LEAD THROUGH GOOD TASTE **34**
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With the introduction of Lean Cuisine several years ago, Stouffer revitalized the flagging frozen foods market. It continues to pursue excellence in the frozen case.

TODDYS GOES UPSCALE FOR A ROCKY MOUNTAIN HIGH **37**
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This upscale entry into the competitive Denver marketplace stresses service and elegance in a Byerly's-like ambience.

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NONFOODS ADS ADD UP TO MIXED BAG

Today, GM/HBA contribute more to store sales than ever. But retailer attitudes toward advertising these segments are somewhat casual, despite great expectations.

BY KEVIN COUPE, SENIOR ASSOCIATE EDITOR

The advertising approach was somewhat unusual for a chain of stores traditionally dedicated to selling food. But there it was on page C-7 of *The New York Times* on Wednesday, Oct. 29: The Great Atlantic & Pacific Tea Company (Montvale, N.J.) was giving away turkeys. All a shopper had to do to get one was to go into the local A&P and buy a six-piece knife set, an oval platter or a three-piece carving set.

There was a time when supermarkets gave away cutlery to shoppers who purchased turkeys. But no more, at least in some places. The era of increased health and beauty aids (HBA) and general merchandise (GM) in supermarkets seems to have brought about a significant shift in the items supermarkets advertise and the way in which they do so.

Or has it? According to some recent studies conducted by a Connecticut research firm, the national picture for GM and HBA advertising by supermarkets is less than revolutionary.

Dick Rogers, director of marketing research for Majers Corp. (Stamford, Conn.), says that studies conducted by his company— including an ongoing survey of advertising patterns by retailers around the nation—revealed a somewhat relaxed attitude towards HBA advertising on the part of supermarket retailers.

"We did an analysis of the 24 leading markets around the country, and found that in supermarkets, total feature ad space was up 8 percent in 1985 from 1983, while their ad space for HBA was up just 2 percent," Rogers says. "In drug stores, total feature ad space was up 24 percent, with HBA ad space up 18 percent, which is as you would expect. Mass merchandisers' total feature ad space was up 22 percent, with HBA ad space up just 2 percent."

Lower than share

"This suggests that mass merchandisers increasingly are getting out of HBA, and that drug stores are still making a major push toward HBA," Rogers says. "Within supermarkets, it suggests that HBA lags behind other categories in terms of feature support. It is certainly lower than HBA's share of sales."

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A recent Price Chopper Supermarkets (Schenectady, N.Y.) four-page ad (above) featured just four nonfoods items, all of them HBA and all of them relegated to a bottom corner of the page.

WE BUILT A PROUD NEW FEELING
A&P Shopwell
Plus Double Coupons
Free Turkey
Frozen Grade A-up to 12 pounds or $10 off larger size Turkey when you buy any of these stainless steel items at $17.99 each.
FREE TURKEY
• 20" Oval Meat Platter
• 3 Piece Carving Set
• 6 Piece Steak Knife Set
GROCERY
MEAT
MEAT
PRODUCE
Quaker Granola Dipps 1.39
Perdue Oven Stuffers 89¢
100% Pure Ground Chuck 1.59
Iceberg Lettuce 69¢
Quaker Quick Oats 89¢
Nabisco Ritz Crackers 1.89
Duncan Hines Brownie Mix 1.39
Bartles & Jaymes 4 2.99
Michelob Beer 6 3.29
Schmidt's Light Beer 6 1.99
FROZEN
A&P Sweet Peas 2 89¢
Klondike Ice Cream Bars 2.49
Whole Leg of Lamb 1.69
Roaster Drumsticks 89¢
Italian Style Sausage 1.69
Perdue Roaster Wingettes 1.19
Perdue Cornish Hens 1.29
Fresh Turkey Wings 79¢
Hillshire Polska Kielbasa 2.59
Topps Beefburgers 2.89
DAIRY
Friendship Cottage Cheese 99¢
Yoplait Custard Yogurt 3 1.09
Tropicana Grapefruit Juice 1.89
Tropicana Orange Juice 1.19
Temptee Cream Cheese 1.49
HBA & GEN. MDSE
Laser VHS Video Cassette 3.99
Act Fluoride Dental Rinse 2.49
Du-All Roaster/Beker 2 2.99
Aquamarine Shampoo 99¢
Noxzema Skin Cream 1.99
Shoulder Lamb Chops 1.99
Split Chicken Breasts 1.79
Fresh Pork Spare Ribs 1.99
Loin Lamb Chops 3.99
Rib Lamb Chops 3.89
French Smoked Butts 2.99
Fresh Chicken Livers 89¢
SEAFOOD
Fresh Alaskan Salmon 2.99
Fresh Hake Fillet 2.49
Fresh Small Scallops 5.99
Jumbo White Shrimp 9.99
Emperor Red Grapes 89¢
Brussels Sprouts 99¢
Juicy Anjou Pears 79¢
Fresh Cranberries 99¢
Bulk Yellow Onions 4 99¢
Crow Hill Apple Cider 1.99
Hanging Basket Plants 5.99
DELICATESSEN
Chicken or Tuna Salad 2.99
Smoked Nova Lox 6.99
Deli Liverwurst 1.49
12 Inch Cheese Pizza 2.29
2-Liter Coca Cola 69¢
2-Liter Slice Soda 69¢
Minute Maid Orange Juice 99¢
Save 1.00
G.E. Long Life Light Bulbs
WIN $5000 IN FREE GROCERIES FROM PEPSI AND A&P
Grand Opening A&P SAV-A- CENTER, 14 Main Ave., Clifton N.J.

Traditionally, items such as cutlery were given away when shoppers bought food in a supermarket. A&P recently turned this around by offering free turkeys to shoppers purchasing cutlery at its stores, a move that presages what sources say will be new aggressiveness in nonfoods by the Montvale, N.J.-based company.

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According to SUPERMARKET BUSINESS's 39th Annual Consumer Expenditures Study (CES), published in the September 1986 issue, nonprescription HBA sales in grocery stores accounted for $10.3 billion in 1985, or almost 4 percent of total grocery store sales for the year. This was a 6.4 percent increase over 1984's sales figure of $9.7 billion in grocery stores, which was 3.8 percent of total store sales.

Grocery stores' GM sales in 1985 also experienced a significant hike, going from $8.3 billion in 1984 to more than $8.6 billion in 1985; GM's share of store sales remained virtually the same for the period, however, going to 3.25 percent of grocery sales in 1985 from 3.27 percent in 1984.

Majers' Rogers says that despite the sales increases for HBA in grocery stores, some problems persist. "We've done another study that indicates that consumers may have a negative impression of grocery stores' HBA prices," he says. "We have found that the more people read feature advertising, the more they think that HBA prices are lower in drug stores than in grocery stores."

Double or nothing?

Rogers says that despite the apparent slackening of supermarket emphasis on HBA advertising, retailers have an optimistic view of the profit potential involved in the nonfoods business. "Grocery executives we have talked to indicate that they expect to see a greater contribution to their bottom

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lines from HBA in the years ahead. They expect it to grow substantially. In fact, two out of three people we interviewed said they thought that within the next five years, HBA sales in supermarkets might double.

"Of course," Rogers adds, "if that is going to happen, they are going to have to start promoting these items more heavily in their advertising."

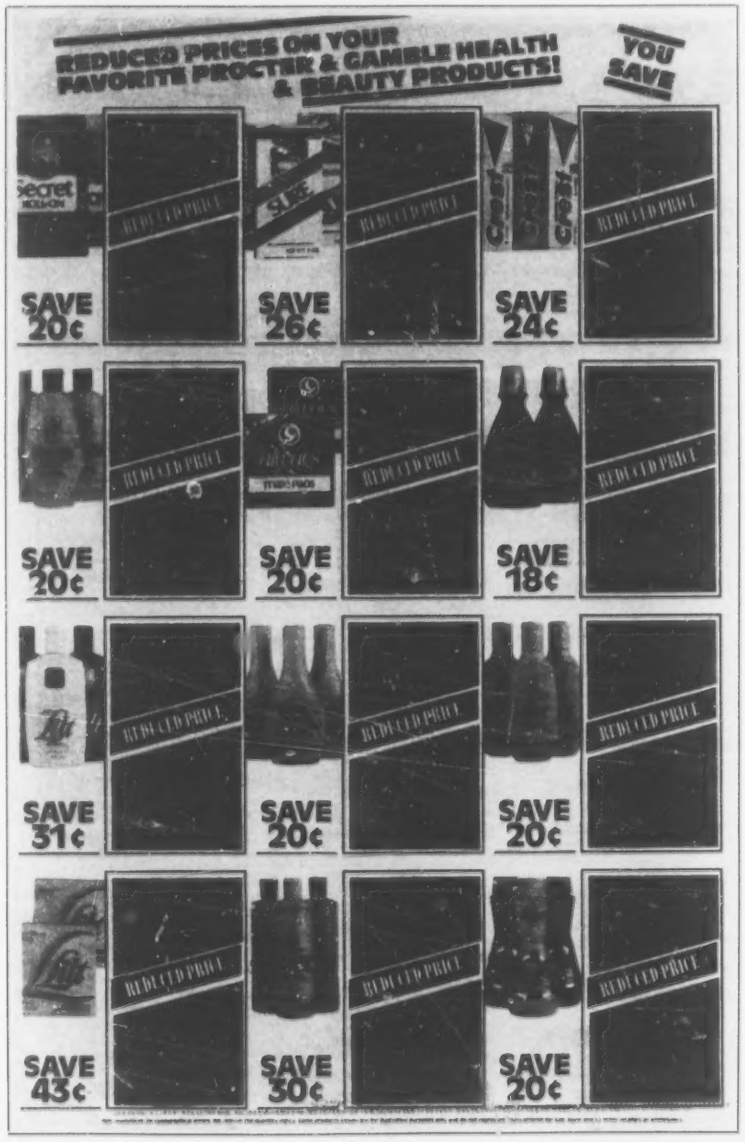
One strong possibility emerges from an examination of these figures and an evaluation of consumer attitudes. A recent focus group discussion sponsored by NONFOODS BUSINESS revealed that, especially in the area of general merchandise, consumers retain a persistent mistrust of supermarkets. (Focus groups are used in retailing, manufacturing and service industries to bring together people of diverse demographic groups and gauge their needs and opinions on a variety of subjects.)

Positioned for sales

Therefore, at least two studies suggest that supermarkets still have some convincing to do in the nonfoods arena. And, if GM/HBA are still predominantly impulse items in grocery stores, it can be argued that impulse sales come predominantly from instore positioning, not from advertised specials. Supermarkets' acceptance of this belief may be seen in the fact that they are not advertising HBA items in proportion to their percentage of sales.

One Manhattan advertising executive familiar with the packaged goods industry says that to some manufacturers,

Pathmark Supermarkets (Woodbridge, N.J.) offered consumers more treats than tricks in its Halloween advertising (left), promoting both nonfoods products and services by focusing on its photo department.



Big and bold is the key to Philadelphia-based Acme Markets' nonfoods advertising. Devoting the entire back page of a four-page ad to HBA, the chain actually features only a dozen products, but a low-price image is the result.

Certain chains are revising their attitudes toward nonfoods advertising in the face of heightened competition.

Dillons Food Stores (Hutchinson, Kan.) used the back page of a newspaper ad (right) to feature both selected HBA products and its video department.

positioning in supermarkets' feature ads may not be such a big deal.

"In my experience, manufacturers have not seemed to be as interested in their features as in instore display space," he says. "It doesn't seem to come up. They'd rather have floor space for a promotion than be featured in an ad."

Of course, that all depends on the marketing strategy being used by the manufacturer. Steve Wonderly, product manager for Kansas City, Mo.-based Marion Laboratories' Gaviscon antacid, says that feature advertising is crucial when a company is trying to increase its distribution and sales in supermarkets. Food stores are the place where Gaviscon has the greatest potential growth, he says.

Wonderly agrees that the image of higher prices for HBA is one that still must be overcome by supermarkets. And feature advertising for a range of HBA products is the best method of accomplishing this, he says. While instore promotions are important, they don't happen very often. "You just about have to buy that space, and we don't do that," he says.

Commitment required

Some change appears to be occurring, however, as selected chains revise their attitudes toward nonfoods advertising

Continued on page 58

The Health & Beauty Aids Place
Beauty Buys!
SHOP RITE
Colgate Pump Toothpaste 1.39
Panadol 2 Tablets 3.29
Kotex Maxi-Pads 2.59
Miss Breck Hair Spray 1.79
PANADOL
Colgate
The Health & Beauty Aids Place
Ivory Shampoo or Conditioner 1.79
ShopRite Epsom Salts 1.19
Plax Dental Rinse 1.29
Miss Clairol Hair Color 3.89
Freehold Mousse 1.99
Ben Solid Deodorant 1.99
Ben Gay Ointment 1.49
Decongestant Tablets 2.19
Acutrim or Acutrim II 3.99
Fixeeth Extra Hold Denture Adhesive 2.89
Pepsodent Toothbrushes .69
Signal Mouthwash 2.59
Cotton Swabs 2 $1
Dristan Tablets 2.97
Theragran-M 7.49
Oil of Olay Beauty Fluid 6.99
Night of Olay Beauty Cream 4.99
ShopRite Styling Mousse 2 $3
Selsun Blue Shampoo 2.49
Wilkinson Retractor 1.19
Dry Look Hair Spray 2.39
Schick Super II 3.49
Tums Antacid Tablets 2.89
Extra-Hi Potency Vitamins 3.49
Bausch & Lomb Saline Solution 2.49
Feminique Douche .99
Personal Touch Razors .89
ShopRite Gentle Shampoo .99
Family Pharmacy Department
Bausch & Lomb Saline/Cleaner 3.29
Visine Eye Drops 1.99
Panadol Liquid or Panadol Chewable 1.99
ShopRite Baby Powder 1.29
Noxzema 2.09
Baby Fresh Wipes 2 $5

Publix Super Markets (Lakeland, Fla.) won a certificate of merit in the Woman's Day/FMI Advertising Awards for a back-to-school advertisement (above). The first place trophy was awarded to Kroger Co. (Cincinnati, Ohio) for the cold medications ad on page 49.

New Jersey's ShopRite stores have a strong GM/HBA orientation that is regularly reflected in advertising (left). The sample here focuses on HBA products, but ads can feature anything from videotape recorders to mini-microwave ovens.

Continued from page 56

under the threat of increased competition. After all, if drug stores are maintaining their primary emphasis on HBA advertising, they remain a threat to supermarket sales in that category; if mass merchandisers are diverting their advertising dollars away from HBA, it is a reasonable conclusion that some of that money is going to promote GM that is also sold in supermarkets. If supermarkets are to remain competitive, some sort of advertising commitment to nonfoods is inevitable.

Take, for example, A&P. The company's free turkey ad also used boldface print to advertise blank video cassettes for $3.99 apiece, and there were several other nonfoods specials as well. A&P would not participate in the preparation of this article, but a source close to the company said that there would be new emphasis on both HBA and GM on the part of A&P in upcoming advertising. Free turkeys, it seems, are just the beginning.

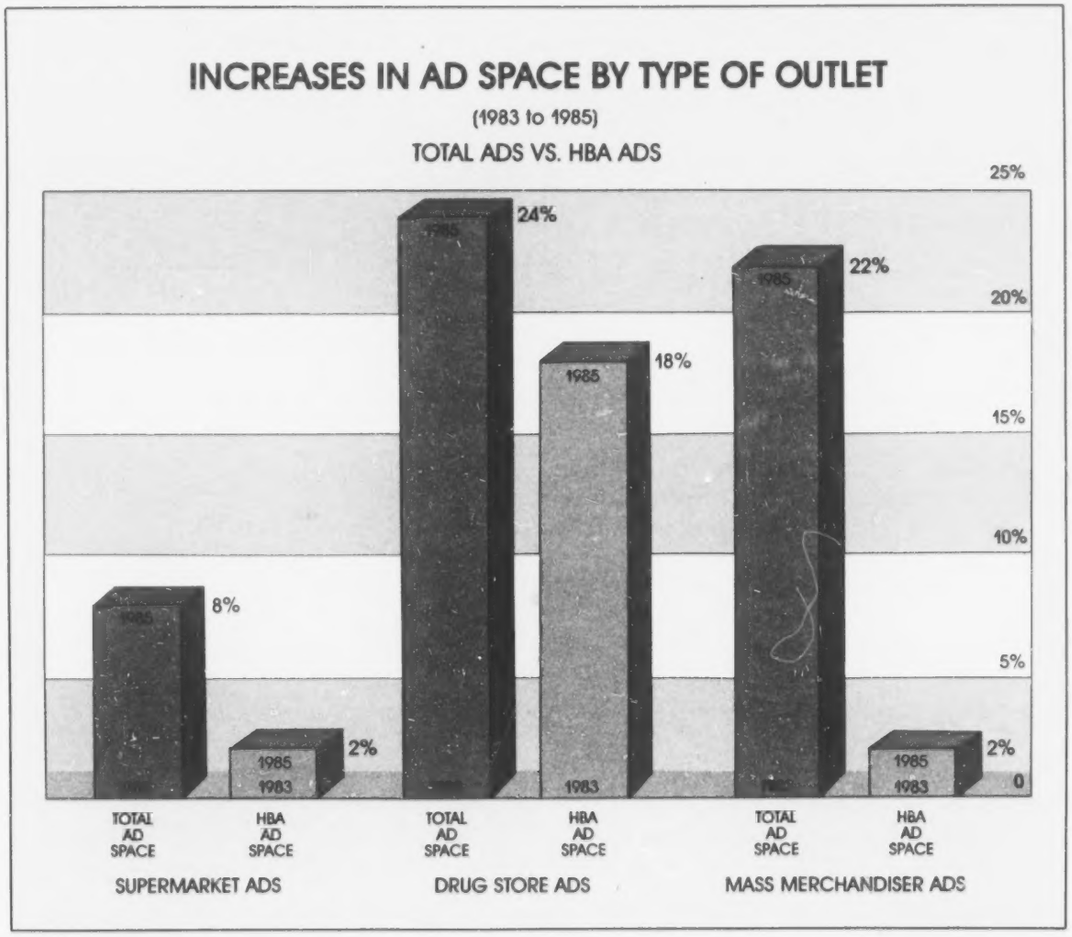
The annual *Woman's Day*/Food Marketing Institute (FMI) Advertising Awards provide positive examples of new directions taken in nonfoods advertising. The First Place Trophy in the HBA and General Merchandise category went to Kroger Co. (Cincinnati, Ohio), which last February used a four-color spread newspaper ad to promote its cough and cold remedies. The result was a compelling portrait of the elements of winter: snow, gloves, ice skates and medicines.

Dick Owens, Kroger's corporate director of advertising, says that the company is trying to

Continued on page 60

Feature advertising of HBA by supermarkets is crucial, says one expert, because supermarkets have both great growth potential and a negative price image in the category.

Supermarkets' use of ad space for nonfoods did not keep pace with its overall use of feature ads, according to a recent study of 24 leading markets by Majers Corp. (Stamford, Conn.). Between 1983 and 1985, total feature ad space bought by supermarkets increased by 6 percent, while that devoted strictly to HBA went up only 2 percent. Mass merchandisers' ad space was up 22 percent for the period, with HBA ad space up just 2 percent, suggesting that mass merchandisers are paying a lot more attention to GM. Drug stores, with a 24 percent hike in total ad space, increased space devoted to HBA by 18 percent.



Continued from page 58

use ads like that more frequently. "We're moving toward more of that kind of advertising, that kind of image. It is becoming less of an unusual example as we try to create dominant illustrations in our advertising, ads of a higher quality that are timed to tie into major events."

Not like bananas

While HBA advertising may be declining in some places, Owens says that the opposite is true for Kroger. "For us, GM and HBA ads are up. We're doing more spectacular ads in regard to GM and HBA. It's just not our philosophy (to leave it to instore promotions). Our research shows that while a lot of people buy GM and HBA on impulse, with the kind of stores we have today, you have to emphasize nonfoods in your advertising to increase sales.

"Of course, you may not do it as frequently as bananas or potatoes, but we as a company are spending more of our advertising dollars in this area, especially in print now, but soon in the electronic media as well," Owens says.

"We could have just listed the items and their prices on the page. But we didn't. It was a highly creative ad. But, of course, that's my job."

Publix Super Markets (Lakeland, Fla.) won a certificate of merit for a back-to-school themed newspaper advertisement, an approach that Gene Blasingame, Publix's director of advertising, says will be cropping up more often.

"We theme all our ads if we can, whether it is for food or for nonfood," he says. "We do it especially in conjunction with a lot of HBA ads. They seem to crop up more during the holidays, especially in general merchandise, but we're always doing them."

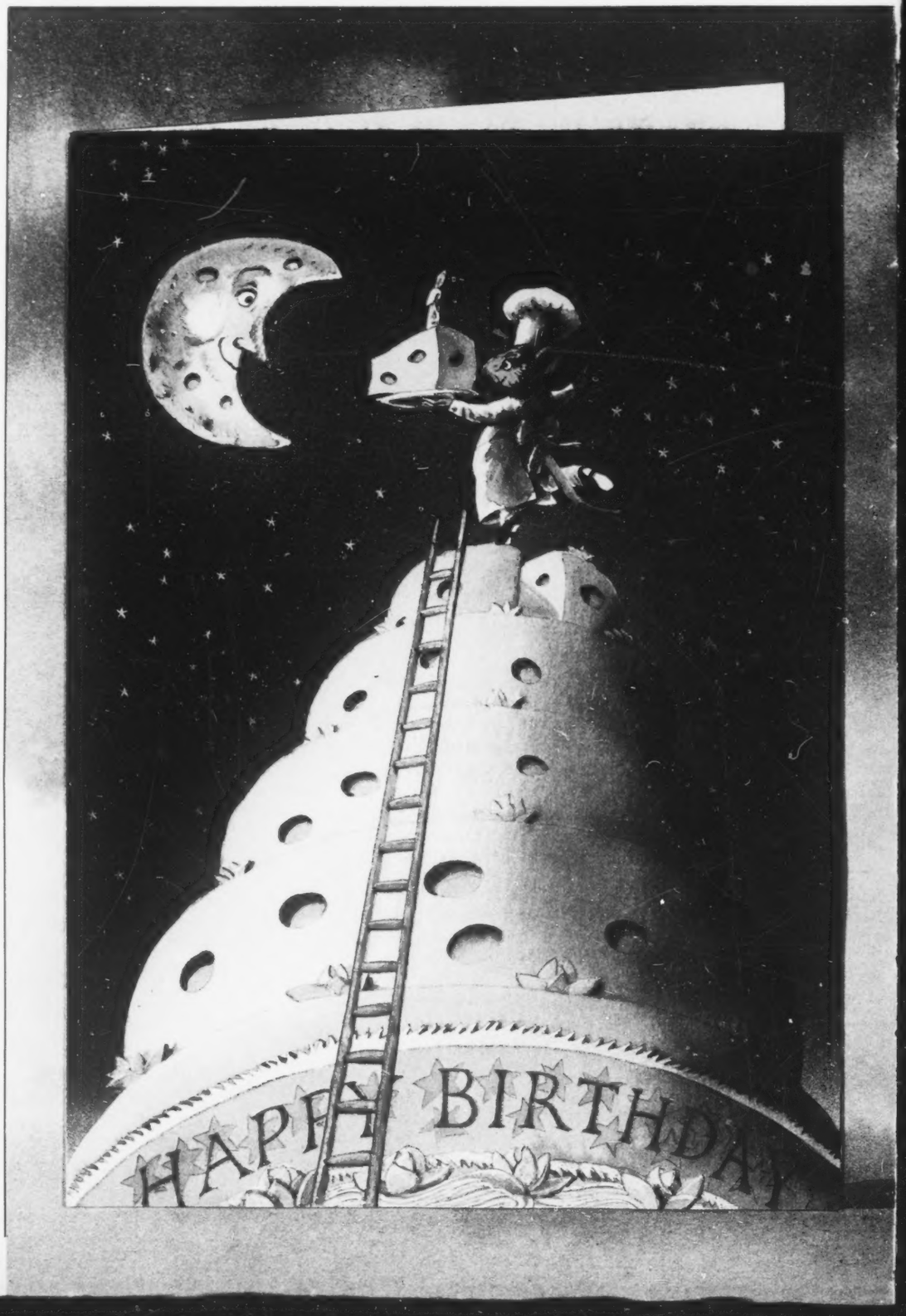
More than ever

Advertising GM and HBA is an approach that Publix has used for more than a decade, Blasingame says. "In fact, it will probably start increasing even more now that we're starting to open combo stores. We'll most likely increase our nonfoods advertising by 20 or 25 percent or more." But Blasingame says it is never a matter of equating nonfoods advertising with nonfoods' share of total store sales. "I don't really have a rule of thumb," he says. "I just do what feels right."

One of the Northeast's most effective nonfoods advertisers is ShopRite. Ted Jordan, store director of ShopRite's "The Experience," located in Edison, N.J., says it is a matter of necessity if large nonfoods departments are to be profitable.

"Wakefern, our wholesaler, has 25 or 30 stores that are super

If you advertise nonfoods at the right price, according to a retailer, they can be a draw for the rest of the store.



stores, that are 40,000 or 50,000 square feet or larger, and that have expanded GM and HBA sections. We sell televisions, stereos, records, compact refrigerators, gas grills, regular grills, TV stands, telephones, calculators and typewriters." With that kind of selection, he says, you can't depend on just instore promotions to sell the merchandise: You have to advertise.

"In stores like these, nonfoods can account for 8 to 11 percent of the store's total volume. In our case, it is 11 percent, and we have a terrific advertising committee that really plays up GM and HBA. They do a great job."

Good draws

"Sure, if you have things priced attractively in the store, they could be impulse items, but you do have people who will come out for them, when you advertise certain things. When we advertise video tapes at $2.99 apiece, for example, we'll have people who come in just for that. Of course, if you advertise it, you'd better have it. If you advertise something at the right price, it can be a good draw for your store.

"For example, we're advertising Emerson VCR's right now at $229, which I think is an incredible price; nobody seems to be that low. I went down to Macy's department store the other day, and saw the identical machine on sale for $289. They don't do you any favors with those kinds of sales."

Jordan adds, "One problem we've had when we advertise motor oil is that people from gas stations come in and buy it by the case, and I'm not talking about one case. I'm talking about five and 10 cases. They can get it cheaper from us than they can from their wholesaler."

The key, it seems, is focus. One of ShopRite's primary competitors is Pathmark, owned by Supermarkets General Corp. (Woodbridge, N.J.). One industry expert says that Pathmark's approach to nonfoods advertising is that of overkill.

"If you look at a Pathmark ad, and I'm exaggerating a little bit, you see maybe 10,000 items, but the more you read, the more uninterested you get." It would be far more effective, the expert says, to advertise maybe 25 or 30 key items, but do it dramatically, so that when a shopper looks at an item or price, there is focus. "With the Pathmark ads, you can't centralize on anything, which may be just as well, because their prices sometimes aren't all that good."

But, when prices are good and products are attractive, effective nonfoods advertising can serve to lure customers into the store and establish a positive image in shoppers' minds. And you don't even have to give away a turkey. ■

To further enhance its low-price image, Acme designed this ad to focus on 15 GM/HBA items, and used coupons to highlight its commitment to bargains.

Another way Ambassador is working harder.

Our DPP program is already one year old while the others are barely off the ground.

Ambassador was the first company in our industry to give you a DPP program with its potential for extra profits. While we're doing a little justified crowing about our sophisticated use of computers, we might add:

We were the first company to computerize sales and inventory planning, not by region, but *by individual store* — to increase your return on inventory investment by as much as 30%.

We're the only company that uses computer graphics to tailor displays specifically for *each* of your stores. That way you can be sure to use every inch of space with maximum efficiency and no waste.

We could go on and on, but the main point is this:

Ambassador gives you far more computer services than any other greeting card company because Ambassador is a *Hallmark* company. We draw upon the largest pool of talent in the social expression field. More computer, marketing, research, promotion and display experts. And we know more about selling cards than anyone else in the world.

If you're already our business partner, congratulations. If you're not, please call us at 816-274-4562. Ask for Pat Cullinan, our V.P. in charge of new business. And call collect.

Ambassador

Working harder to make it easier for you.

A Hallmark company

SAMI UPDATE

HEALTH & BEAUTY AIDS: SAMI FOUR-WEEK FOOD STORE UNIT TRENDS VS. YEAR AGO

PRODUCT GROUP AND CATEGORY	% CHANGE VS. YEAR AGO 4 WEEKS ENDING 8/15/86	4 WEEKS ENDING 9/12/86	4 WEEKS ENDING 10/10/86
BABY NEEDS	**– 6.7%**	**– 5.3%**	**– 4.4%**
Baby Powders	– 5.5	– 10.7	+ 3.4
Baby Oils, Creams & Lotions	– 11.8	– 4.1	– 7.5
Infant Clothes	– 13.6	– 10.2	– 14.8
Nursing Supplies	– 0.4	– 2.2	– 3.0
DEODORANTS	**+ 0.5%**	**– 2.6%**	**+ 1.5%**
Sprays	– 4.5	– 10.5	– 4.2
Roll-Ons	+ 2.1	+ 0.2	+ 5.0
Stick Deodorants & Pads	+ 8.0	+ 1.4	+ 4.1
Creams	– 13.4	– 14.8	– 10.0
Deodorants & Talcum Powders	– 9.0	– 11.3	– 1.2
Feminine Hygiene Deodorants	– 7.0	– 6.9	– 4.0
Foot Deodorants & Athlete's Foot Remedies	+ 2.5	+ 2.0	+ 13.1
Feminine Douches	– 8.8	– 0.1	– 1.3
FIRST AID	**+ 3.2%**	**+ 0.4%**	**+ 4.4%**
Antiseptics	+ 12.3	+ 6.3	+ 7.4
First Aid Products	+ 0.3	– 1.3	+ 3.5
HAIR CARE NEEDS	**– 2.0%**	**– 0.1%**	**+ 3.0%**
Shampoos	– 5.6	– 3.7	– 0.6
Hair Sprays	+ 13.1	+ 16.1	+ 15.0
Hair Conditioning Rinses	– 4.6	– 4.4	+ 3.3
Hair Setting Needs	+ 1.7	+ 5.2	+ 9.3
Home Permanent Kits	+ 0.3	+ 3.3	– 3.5
Hair Coloring	– 8.1	– 10.2	– 6.3
Hair Dressing Needs	– 9.3	– 7.5	– 7.3
ORAL HYGIENE	**– 8.3%**	**– 4.5%**	**+ 1.0%**
Toothpastes & Powders	– 13.0	– 7.8	– 2.0
Mouthwashes	+ 2.0	+ 1.1	+ 8.5
Breath Fresheners	– 2.5	+ 1.2	– 0.9
Denture Cleaners	– 9.5	– 4.5	– 5.3
Denture Adhesives	– 9.0	– 6.6	– 5.0
Toothbrushes	+ 3.0	+ 4.5	+ 10.4
PROPRIETARY REMEDIES	**+ 0.5%**	**+ 4.2%**	**– 1.2%**
Antacids	+ 0.9	– 0.2	– 2.0
Internal Analgesics	+ 0.1	+ 3.1	+ 5.2
External Analgesics	– 6.2	– 3.6	– 4.7
Cold Tablets	+ 10.5	+ 29.4	+ 3.5
Nasal Sprays—Drops—Inhalers	– 0.7	+ 1.4	– 7.9
Chest Rubs	– 7.3	– 4.0	– 20.1
Cough Remedies	– 5.4	+ 1.8	– 10.8
Laxatives	– 1.0	– 2.3	– 6.3
Sleeping Aids	+ 0.5	+ 7.6	+ 9.7
Tranquilizers	– 21.0	– 14.8	– 7.7
Synthetic Vitamins	+ 5.1	+ 11.8	+ 8.4
Eye Care Products	+ 7.6	+ 2.6	+ 5.7
Appetite Suppressants	+ 4.1	+ 6.8	+ 3.7
SHAVING NEEDS	**+ 2.1%**	**+ 1.4%**	**– 1.9%**
Shaving Creams	+ 5.4	+ 1.1	+ 0.1
Pre-Shave Lotions	– 9.7	– 10.0	– 5.8
After-Shave Lotions	– 1.9	– 13.4	– 9.8
Razor Blades	+ 1.4	+ 3.3	– 2.2
Razors & Blades	+ 8.3	+ 18.1	+ 23.3
SKIN CARE AIDS	**– 2.2%**	**+ 0.8%**	**– 1.4%**
Hand & Body Creams & Lotions	– 4.6	+ 5.0	– 3.0
Facial Preparations	– 10.7	– 11.6	– 13.9
Lip Care Products	+ 27.2	+ 17.4	+ 13.9
Suntan Lotions & Oils	+ 5.6	+ 25.1	+ 9.6
Cosmetic & Medicated Skin Aids	– 4.0	– 2.1	+ 1.8
TOTAL ALL CATEGORIES	**– 2.0%**	**± 0%**	**+ 0.3%**

HBA Volume in Food Stores Inches Ahead of Year Ago

The start of the Fall season saw slight increases in volume for health and beauty aids in general. But individual categories showed more downward than upward trends, as cold remedies lost momentum.

BY ALAN MILLER JR.

For the four weeks ending Oct. 10, 1986, unit volume of all 50 health and beauty aids (HBA) categories measured by SAMI gained almost one million over the corresponding year-ago period. Although this increase amounts to only three tenths of a percent, it was still a slight improvement over the preceding reporting period.

Dollar sales for HBA advanced 3.2 percent. The trend on both a dollar and tonnage basis was better than that for dry groceries: food and nonfoods, which registered losses of 0.5 percent and 1.1 percent in pounds, respectively.

Among the product groups, gains and losses were divided evenly. The gains were encountered in deodorants (+1.5 percent), first aid (+4.4 percent), hair care needs (+3.0 percent) and oral hygiene (+1.0 percent).

Losses were recorded in proprietary remedies (-1.2 percent), baby needs (-4.4 percent), shaving needs (-1.9 percent) and skin care aids (-1.4 percent). The score for categories was 22 gains and 28 losses.

Baby powders turn

A bright spot in the baby needs group is the turn-around in baby powders. This category had a 3.4 percent gain for the four-week period, contrasting with an annual rate of decline amounting to 6.2 percent.

In this group, downward trends still persist among baby oils, creams and lotions (-7.5 percent), infant clothes (-14.8 percent) and nursing supplies (-3.0 percent). No important new product activity is detected in any of these categories.

Sales of both roll-on and stick deodorants picked up in the four-week period, over the gain in the

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preceding period. At least part of the reason for these improvements is the completion of national distribution of Mennen's Real roll-on and Gillette's Dry Idea stick.

National availability of Dry Idea in spray form was somewhat beneficial to the spray deodorants category, but losses among each of the top three brand lines contributed to its decline of 4.2 percent. Cream deodorants continued its downward trend (−10.0 percent). But foot deodorants and athlete's foot remedies had the best trend (+13.1 percent) because of outstanding performance by Micatin and Tinactin.

Gains were reported for both categories in the first aid group. The 7.4 percent increase in antiseptics was partly caused by the completion of national distribution of Warner-Lambert's Benadryl. But no major new brand introductions accounted for the 3.5 percent increase in other first aid products (bandages, gauze, cotton balls and so forth).

Hair sprays shine

In the hair care needs group, four categories showed losses, but they were offset by gains in hair sprays (+15.0 percent), hair conditioning rinses (+3.3 percent) and hair setting needs (+9.3 percent). Shampoo volume fell six-tenths of a percent, despite new volume from S.C. Johnson's L'Envie and Faberge's Aqua Net, which are both now in national distribution.

Among hair sprays, Suave completed national distribution, and major new brands included Clairol's Condition and L'Oreal's Studio.

New products and roll-out activity helped trigger the gains in the hair conditioning rinse category. Among these were L'Envie, Affinity, Aqua Net and White Rain.

New products

Three important new brands of hair styling mousse were introduced in the past year: L'Oreal's Studio, Pizazz and White Rain. By now, nearly every hair care products manufacturer has entered the mousse hunt.

No new brands of home permanent kits have been introduced, and the category fell 3.5 percent behind last year's level. Hair coloring volume dropped 6.3 percent, despite the appearance of Vidal Sassoon in this category. Most major brands of men's hair dressing fell behind the 1985 level and the category declined 7.3 percent.

Two of the oral hygiene categories reported gains: mouthwashes (+8.5 percent) and toothbrushes (+10.4 percent). In both instances, new products are partly responsible for the improved performance. Secrets and Plax are the new mouthwash products and Aim is new in the toothbrush category.

Denture cleaners and denture adhesives both had losses greater than 5 percent, however.

A lower incidence of coughs and colds probably contributed

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to the poor trends among cold remedies. Cold tablets gained only 3.5 percent, compared to 29.4 percent in the previous four-week period. Nasal sprays-drops-inhalers and cough remedies had losses of 7.9 percent and 10.8 percent, respectively. No new major brands of cold tablets or cough remedies were introduced in the past year.

Volume for antacids was down 2 percent from last year, despite the aid this category received from the rollout of Sterling Drug's Calcitrel and Warner-Lambert's Remegel.

The strength of ibuprofen analgesics helps account for the gain among internal analgesics. Medipren, from the makers of Tylenol, is now in national distribution, and both Advil and Nuprin have been gaining share in this category.

Two new brands of laxatives, Citrucel and Gentle Nature, did not provide enough volume to expand the size of this category. But the appetite suppressants category benefited from the national rollout of Fibre Trim and national launching of Thompson Medical's Fiberfull.

Although no new national brands of synthetic vitamins were introduced, unit volume still advanced 8.4 percent for the four-week period. Natural vitamins, minerals and supplements, which have now been a SAMI category for one year, showed a sales growth of a whopping 64.2 percent. New calcium supplements have been exhibiting dramatic growth.

Minimal shaving gains

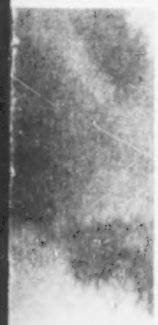
The gain for shaving creams was minimal (+0.1 percent), and the 23.3 percent gain for razors and blades can be attributed to a trial-size Atra Plus unit. But razor blade volume declined despite the national launching of Gillette's Microtrac and Schick's Super II Plus. No important new product activity occurred in the after-shave lotions/colognes or pre-shave lotions categories.

In the skin care group, the loss of 13.9 percent for facial preparations should be considered in light of the high gain reported for the year-ago period. The most important new product volume in this category this year came from the expanded distribution of Oil of Olay Cream.

No important new brands of hand and body creams and lotions were launched, and the volume fell 3.0 percent in the current reporting period. Lip care products, however, gained 13.9 percent, largely because of new line extensions among Vaseline items. The gain of 9.6 percent for suntan lotions and oils does not translate to many sales dollars in the Fall season.

Cosmetic and medicated skin aids have not seen any new product activity for some time, but the category still posted a modest 1.8 percent gain.

Overall, the absence of high-volume, innovative new products in many HBA categories appears to have caused a slowdown in the growth of this department for most of 1986. ■



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